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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/725,511	11/30/2000	Hiroaki Ishizuka	197792US28	8903

22850 7590 03/03/2009

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ART UNIT	PAPER NUMBER
3694	

NOTIFICATION DATE	DELIVERY MODE
03/03/2009	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte HIROAKI ISHIZUKA

Appeal 2009-0320
Application 09/725,511
Technology Center 3600

Decided:[1] March 2, 2009

Before HUBERT C. LORIN, DAVID B. WALKER, and JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

FISCHETTI, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

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[1] The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, begins to run from the decided date shown on this page of the decision. The time period does not run from the Mail Date (paper delivery) or Notification Date (electronic delivery).

Appellant seeks our review under 35 U.S.C. § 134 of the Examiner's final rejection of claims 1-46[2]. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM.

THE INVENTION

Appellant claims a system and method for using information obtained from an off-line transaction for communication related to an on-line transaction whereby the characteristics of a purchaser are analyzed when considering whether or not to grant authorization for a transaction. (Specification 1:8-11.)

Claim 1, reproduced below, is representative of the subject matter on appeal.

> 1. A method of communicating, comprising the steps of:
> storing a customer's financial information in a supplier computer system based on an off-line transaction of a completed purchase or lease of equipment between a customer and a supplier;
> beginning an on-line purchase, subsequent to the completed off-line transaction, by the customer with the supplier and communicating to a

[2] The Appeal Brief indicates that the rejections of claims 1-43 are being appealed, which we deem to be a typographical error given that the Appeal Brief goes on to account for all pending 46 claims, listing them all in the "GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL," and further argues claim 44 separately on page 10 of the Appeal Brief.

server computer by the customer;

determining whether the customer is an acceptable credit risk for the on-line purchase using the customer's financial information in the supplier computer system and which is based on the off-line transaction;

communicating to the customer that the on-line purchase has been approved, when said determining step determines that the customer is an acceptable credit risk.

THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

Stein	US 5,826,241	Oct. 20, 1998
Gardenswartz	US 6,055,573	Apr. 25, 2000
Boesch	US 6,092,053	Jul. 18, 2000

The following rejections are before us for review.

The Examiner rejected claims 1-7, 16-19, 22-30, 39-42, 45, and 46 under 35 U.S.C. § 103(a) as unpatentable over Gardenswartz in view of Boesch.

The Examiner rejected claims 8-15, 20-21, 31-38, and 43-44 under 35 U.S.C. § 103(a) as unpatentable over Gardenswartz in view of Boesch and further in view of Official Notice.

ISSUE

Has Appellant shown that the Examiner erred in rejecting claims 1-7, 16-19, 22-30, 39-42, 45, and 46 on appeal under 35 U.S.C. § 103(a) as unpatentable over Gardenswartz in view of Boesch on the grounds that a

person with ordinary skill in the art would understand that the value contract in Gardenswartz works like credit in that it is usable as a form of payment, e.g., points redeemable for cash?

Has Appellant shown that the Examiner erred in rejecting claims 8-15, 20-21, 31-38, and 43-44 under 35 U.S.C. § 103(a) as unpatentable over Gardenswartz in view of Boesch and further in view of Official Notice in that a person with ordinary skill in the art would understand that at the time of the invention a variety of bill presentment options were known to exist?

FINDINGS OF FACT

We find the following facts by a preponderance of the evidence:

1. The Specification describes:

> An optional feature of the invention is an indication as to how credit may be extended or money utilized to allow the future purchase of supplies for the imaging device. A field 340 allows the user to have the price of purchased supplies be automatically debited from a bank account. A field 342 allows supplies to be automatically debited from a third party credit card such as Visa, Master Card, American Express, or any other third party credit card. Moreover, as an alternative, if the user falls behind on payments to the supplier or lessor, there may be a provision or agreement that a third party credit card can be automatically billed as a back-up manner of attempting to collect on good[s] or services which have been provided. Field 344 indicates whether it is permitted for supplies to be purchased on credit.

(Specification 9:22-30.)

2. The Examiner found:

> 5. Gardenswartz teaches delivering a targeted advertisement online based on the customer's off-line purchase history, but does not expressly disclose that the purchases are on-line, offline or both. However, Boesch teaches a system and method where certain consumer information is stored on a server and is provided to a merchant to allow the consumer to purchase a product or service on-line in an easy and safe manner (Abstract).

(Answer 4.)

3. Gardenswartz describes:

> [t]he value contract …[as] a promotional incentive in which the consumer is offered a reward for complying with a particular behavioral pattern such as a predefined change in behavior or the continuance of an established behavior. Any type of reward may be offered. The reward may be "points" which may correspond to, or be redeemed for, cash, cash equivalents, frequent flier miles, minutes of long distance time, minutes of Internet service provider time, coupons, discounts, prizes, or free products, for example.

(Gardenswartz, col. 14, ll. 51-60.)

4. Gardenswartz describes that "[t]he eligibility of each consumer [to receive a value contract] may depend on any desired factor(s) including … whether the consumer's observed offline purchase history meets certain criteria …." (Gardenswartz, col. 15, ll. 23-26.)

5. Boesch discloses:

> If the consumer elects to purchase the item, the CIS software forwards information to the merchant's computer. The information includes

> information from the merchant's offer and the consumer's personal information (e.g., credit card number, address, shipping address) which is stored on the CIS. The merchant's computer then uses the information to complete the transaction.
>
> If the consumer is unknown to the CIS software, the CIS software sends a form to the consumer's computer which is displayed within the area reserved for the wallet within the merchant's Web page. The form prompts the consumer to provide the purchasing information to complete the transaction. Once the consumer provides sufficient information to complete the transaction, the CIS software prompts the consumer to purchase the item.

(Boesch, col. 3, l. 54 - col. 4, l. 2.)

6. The Examiner's Answer notes:

> [the] Examiner identified a prior art (see U.S. Patent No. 5,826,241, issued to Stein et al., October 20, 1998) for features related to bill distribution and presentment. Stein teaches a system and method for making payment and authenticating transactions over the internet.
>
> In conclusion, Examiner notes that these claims focus exclusively on bill distribution and presentment and are unrelated to the concept of using previously acquired off-line information in making a credit risk determination to a current transaction. Hence, the Examiner takes an Official Notice of these claims (see claims rejection above).

(Answer 11.)

PRINCIPLES OF LAW

"Section 103 forbids issuance of a patent when 'the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.'" *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1734 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 127 S. Ct. at 1734 ("While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.")

ANALYSIS

We affirm the rejection of claims 1-46.

Claims 1-7, 16-19, 22-30, 39-42, 45, and 46

Initially, we note that the Appellant argues independent claims 1 and 24 together as a group. Correspondingly, we select representative claim 1 to decide the appeal of these claims. The Appellant does not provide a substantive argument as to the separate patentability of claims 2-7, 16-19, 22, 23, 25-30, 39-42, 45, 46[3] that depend from claims 1 and 24, which are

[3] A statement which merely points out what a claim recites will not be considered an argument for separate patentability of the claim. *See*, 37 C.F.R. § 41.37(c)(1)(vii) (2007).

the sole independent claims among those claims. Therefore, claims 2-7, 16-19, 22, 23, 25-30, 39-42, 45, 46 fall with claims 1 and 24. *See,* 37 C.F.R. § 41.37(c)(1)(vii) (2007).

Appellant argues that,

> Gardenswartz is directed to delivering a targeting advertisement based on a customer database. Gardenswartz merely utilizes a server that can provide a targeted price offer advertisement to a customer, but Gardenswartz does not disclose or suggest any determination of whether the customer is an acceptable credit risk for an on-line purchase, based on a prior off-line transaction.

(Appeal Br. 6.)

Appellant's arguments however are not persuasive as to error in the rejection because the Appellant is attacking the Gardenswartz reference individually when the rejection is based on a combination of references to both Gardenswartz and Boesch, and the Examiner found that Boesch, not Gardenswartz, discloses the on-line purchase transaction and the customer's financial information is used in transaction based on an off-line transaction (FF 2). *See In re Keller*, 642 F.2d 413, 426 (CCPA 1981); *In re Young*, 403 F.2d 754, 757-58 (CCPA 1968).

But, this is not to say that Gardenswartz is devoid of the required step of determining whether the customer is acceptable based on a given standard. According to Gardenswartz, the eligibility of each consumer to receive a value contract may depend on whether the consumer's observed offline purchase history meets certain criteria (FF 4). While the value contract arguably is not credit, it nevertheless works like credit in that it is usable as a form of payment, e.g., points redeemable for cash (FF 3). As

required by the claims, in Gardenswartz, a determination is made in advance of giving a customer a value contract based on eligibility requirements (FF 4). Thus, while Gardenswartz discloses awarding a value contract and not credit to a customer, the manner in which the value contract is given to a specific customer is the same because a determination step using given criteria is used in both circumstances.

Appellant next argues that:

> The "value contract" in Gardenswartz is directed to providing a consumer with a reward as an incentive for the consumer to visit a retail store. The claims are clearly directed to an "on-line transaction", not an in-store transaction, subsequent to an off-line transaction. Thereby, Gardenswartz in fact *teaches away* from the above-noted claimed feature.

(Appeal Br. 8.)

We disagree with Appellant's limited reading of Gardenswartz. While Gardenswartz discloses use of the value contract at a bricks and mortar store, it also discloses that the value contained in the value contract can be used for "minutes of Internet service provider time" (FF 3). We interpret redeeming the value contract for minutes of Internet service provider time as an on-line related transaction, and thus are not persuaded by Appellant's argument.

Finally, Appellant argues that "… no teachings [(*sic*)] in Boesch are believed to cure the above-noted deficiencies in Gardenswartz." (Appeal Br. 8). We disagree with Appellant.

The Specification describes that as an indication as to how credit may be extended or money utilized to allow a future purchase, it is first

determined if such purchases can to be automatically debited from a third party credit card such as Visa, Master Card, American Express, or any other third party credit card (FF 1). In the same manner, Boesch discloses determining whether the customer has a credit card on file before allowing the purchase to occur without prompting the consumer to provide the purchasing information to complete the transaction (FF 5). Thus, both Appellant and Boesch disclose determining whether the involved user has a credit card on file as a form of criteria to awarding credit.

Claims 8-15, 20-21, 31-38, and 43-44

Appellant argues that "[w]ith respect to dependent claims 8-15, 20-21, 31-38, and 43-44, applicant previously traversed the basis for the Official Notice and requested that prior art be cited for the features recited therein. That has not even been addressed." (Appeal Br. 10.)

A review of the record shows that Appellant did timely traverse the Official Notice in his paper filed September 13, 2007 made against the Official Notice taken in the first instance in the previous Office Action dated June 16, 2007. In this paper Appellant states:

> with respect to dependent claims 8-15, 20-21, 31-38, and 43-44, applicant traverses the basis for the Official Notice and require that prior art be cited for the features recited therein. In that respect applicant reiterates Gardenswartz teaches away from the claimed features, and thus applicant request clear motivation be set forth to modify Gardenswartz to meet such further claim features in view of the new art to be cited for the propositions for which Official Notice was taken.

(After Final Response dated Sep. 13, 2007.)

However, Appellant's argument as to improper treatment of his traversal of the Official Notice is not persuasive as to error in the rejection for two reasons. First, the Appellant did not specifically point out the supposed errors in the Examiner's taking of Official Notice, includ[ing] stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR [§] 1.111(b)." An adequate traverse must contain adequate information or argument to create on its face a reasonable doubt regarding the circumstances justifying Examiner's notice of what is well known to one of ordinary skill in the art. *In re Boon*, 439 F.2d 724, 728 (CCPA 1971). That has not been done here.

Second, the Examiner's Answer provides the requested evidence by referencing Stein along with some articulated reasoning of how the Official Notice is being applied to the combination under 35 U.S.C. § 103(a) (FF 6), which we conclude sufficiently articulates a required reasoning. Therefore, Appellant's argument is not persuasive as to error in the rejection.

CONCLUSIONS OF LAW

We conclude the Appellant has not shown that the Examiner erred in rejecting claims 1-7, 16-19, 22-30, 39-42, 45, and 46 under 35 U.S.C. § 103(a) as unpatentable over Gardenswartz in view of Boesch and claims 8-15, 20-21, 31-38, and 43-44 under 35 U.S.C. § 103(a) as unpatentable over Gardenswartz in view of Boesch and further in view of Official Notice.

DECISION

The decision of the Examiner to reject claims 1-46 is AFFIRMED.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED

hh

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